



**CALIFORNIA STATE
PUBLIC WORKS BOARD**

EDMUND G. BROWN JR. • GOVERNOR

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NOTICE OF MEETING

STATE PUBLIC WORKS BOARD

**Thursday, March 26, 2015 at 10:00 a.m. in Room 126,
State Capitol, Sacramento, California**

AGENDA

- | | | | |
|-------------|---------------|------|----|
| I. | Roll Call | | |
| II. | Bond Items | Page | 2 |
| III. | Consent Items | Page | 12 |

Pursuant to section 11125 of the Government Code, notice of all Board meetings will be given at least ten days in advance and such notice must include a copy of the agenda. Members of the Public may address the Board prior to it taking action on any matter in the agenda.

This notice and the Board agenda for the current month are available on the Internet at: <http://www.spwb.ca.gov>.

Individuals who need disability-related accommodation, including auxiliary aids for effective participation at this public meeting are invited to make their requests and preferences known to Aurelia Bethea at (916) 445-9694 or e-mail to aurelia.bethea@dof.ca.gov five days prior to the meeting.

BOND ITEMS

BOND ITEM—1

**DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)
2015 SERIES A, LEASE REVENUE BONDS
SOLANO JAIL**

Project: **Solano Jail**

Location and Participating County: Solano County

Authority: Sections 15820.90 - 15820.907 of the Government Code

Consider adoption of a resolution to:

1. Authorize the sale of the State Public Works Board Lease Revenue Bonds, Department of Corrections and Rehabilitation (CDCR), 2015 Series A, Solano Jail.
2. Approve the form of and authorize the execution of a Supplemental Indenture to the Master Indenture, between the State Treasurer and the Board.
3. Approve the form of and authorize the execution of a Site Lease between the CDCR and the Board.
4. Approve the form of and authorize the execution of a Facility Lease between the Board and the CDCR.
5. Approve the form of and consent to and acknowledge a Facility Sublease between the CDCR and the participating county.
6. Approve the form of and authorize the execution of a Continuing Disclosure Agreement.
7. Approve the form of and authorize the execution of a Purchase Contract by and among the Board, the State Treasurer and the underwriters named therein.
8. Approve the form of and authorize the delivery of a Preliminary Official Statement.
9. Approve and authorize the delivery of an Official Statement.
10. Approve other related actions in connection with the authorization, issuance, sale, and delivery of said revenue bonds.

Estimated Project Costs to be Financed	\$61,545,000
Estimated Par Value of Bonds to be Issued	\$52,935,000
"Not To Exceed" Par Amount	\$64,120,000

BOND ITEMS

STAFF ANALYSIS ITEM—1

Department of Corrections and Rehabilitation
2015 Series A, Lease Revenue Bonds
Solano Jail

Action Requested

If approved, the requested action would authorize the sale of the 2015 Series A lease revenue bonds and other related actions in connection with the issuance, sale, and delivery of said revenue bonds, including approving the forms of and authorizing the execution of a supplemental indenture, a site lease, a facility lease, a continuing disclosure agreement, a purchase contract, and authorizing the delivery of a preliminary official statement, and an official statement. This action would also approve the form of and consent to and acknowledge a facility sublease.

Scope Description and Funding

This project is within scope and cost.

Solano Jail, Solano County

The project is located within the City of Fairfield in Solano County on approximately 9.5 acres of county-owned land. This project designed and constructed a new, approximately 127,800 square foot, single story jail building adjacent to the existing Claybank Adult Detention Facility. This new building includes areas for housing, support services, and a central plant, and will be used to house post-arraignment and pre-sentenced inmates.

The housing portion of the building consists of twelve maximum security celled housing units that provide a total of 365 beds. Each housing unit includes staff control areas, a dayroom, two video visitation rooms, two interview rooms, a multi-purpose room for program activities, an exercise yard, and all necessary appurtenances. The support services portion of the building includes an administrative services area; a central control room; medical, mental health, and dental service areas; a secure vehicle sally port; an intake/release/processing area; inmate visitation areas; an outdoor refuge/exercise area; a laundry facility; additional storage spaces; and a loading/receiving area. The central control room provides monitoring and visual supervision of the housing units, recreation areas, and other secure areas within the facility.

The central plant provides power, heating, cooling, and water treatment systems. The project also includes staff and public parking lots with hardscape improvements, non-secure fencing, and a vehicle access gate.

This project is complete and was available for occupancy beginning in September 2014. The total project cost is estimated to be \$87,228,000, of which \$61,545,000 is expected to be financed with proceeds from the 2015A Bonds, with the balance funded from other sources.

Staff Recommendation: Adopt the resolution.

BOND ITEMS

BOND ITEM—2

**JUDICIAL COUNCIL (0250)
2015 SERIES B, LEASE REVENUE BONDS
LOS BANOS COURTHOUSE**

Project: **Los Banos Courthouse**
Location: Merced County
Authority: Chapter 25, Statutes of 2014, Item 0250-301-0668 (2)

Consider adoption of a resolution to:

1. Authorize the sale of the State Public Works Board Lease Revenue Bonds, Judicial Council of California (Council), 2015 Series B, Los Banos Courthouse.
2. Approve the form of and authorize the execution of a Supplemental Indenture to the Master Indenture, between the State Treasurer and the State Public Works Board (Board).
3. Approve the form of and authorize the execution of a Site Lease between the Council and the Board.
4. Approve the form of and authorize the execution of a Facility Lease between the Board and the Council.
5. Approve the form of and authorize execution of a Project Delivery Agreement between the Board and the Council.
6. Approve the form of and authorize the execution of a Continuing Disclosure Agreement.
7. Approve the form of and authorize the execution of a Purchase Contract by and among the Board, the State Treasurer and the underwriters named therein.
8. Approve the form of and authorize the delivery of a Preliminary Official Statement.
9. Approve and authorize the delivery of an Official Statement.
10. Approve other related actions in connection with the authorization, issuance, sale, and delivery of said revenue bonds.

Estimated Project Costs to be Financed	\$21,889,000
Estimated Par Value of Bonds to be Issued	\$22,425,000
"To Not Exceed" Par Amount	\$27,765,000

BOND ITEMS

STAFF ANALYSIS ITEM—2

Judicial Council
2015 Series B, Lease Revenue Bonds
Los Banos Courthouse

Action Requested

If approved, the requested action would authorize the sale of the 2015 Series B lease revenue bonds and other related actions in connection with the issuance, sale, and delivery of said revenue bonds, including approving the forms of and authorizing the execution and delivery of a supplemental indenture, a site lease, a facility lease, a project delivery agreement, a continuing disclosure agreement, a purchase contract, and authorizing the delivery of a preliminary official statement, and an official statement.

Scope Descriptions and Funding

This project is within scope and cost.

Los Banos Courthouse

The project consists of construction of a new courthouse for the Superior Court of California, County of Merced. The new courthouse will consist of a 29,511 square foot facility with 2 courtrooms. The facility will be 2 stories with no basement and includes 5 secure staff surface parking spaces and 98 public surface parking spaces on the courthouse site, a secure in-custody transfer area and holding space that will be located on approximately 4.3 acres of state-owned land. The structure is a seismically-enhanced design, with cast-in-place concrete foundation, structural steel floor and roof framing system, reinforced concrete tilt-up exterior wall panels, and curtain wall glazing system that is ballistic reinforced in key areas. The building is designed for sustainability and energy efficiency in compliance with CalGreen energy standards.

The Board approved the Project's working drawings in October 2014. Construction is expected to start in June 2015 and is estimated to be ready for occupancy in June 2017. The total cost of the Los Banos Courthouse is \$26,388,000, of which \$21,889,000 will be funded with proceeds of the 2015 Series B Bonds. The costs of the project not being financed by bond proceeds have been or will be paid for from cash.

Staff Recommendation: Adopt the resolution.

BOND ITEMS

BOND ITEM—3

**DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)
2015 SERIES C, LEASE REVENUE REFUNDING BONDS
VALLEY STATE PRISON**

Refunded Bonds: Department of Corrections and Rehabilitation, 2005 Series H, California State Prison – Madera County, Valley State Prison for Women, formally known as Valley State Prison

Authority: Section 15840 of the Government Code

Consider adoption of a resolution to:

1. Authorize the sale of the State Public Works Board Lease Revenue Refunding Bonds, Department of Corrections and Rehabilitation (CDCR), 2015 Series C, Valley State Prison.
2. Approve the form of and authorize the execution of a Supplemental Indenture to the Master Indenture, between the State Public Works Board (Board) and the State Treasurer.
3. Approve the form of and authorize the execution of a Site Lease between the CDCR and the Board.
4. Approve the form of and authorize the execution of a Facility Lease between the Board and the CDCR.
5. Approve the form of and authorize the execution of Escrow Agreements between the Board and the State Treasurer.
6. Approve the form of and authorize the execution of a Termination Agreement for the Transfer of Jurisdiction of State Owned Real Property and Facility Lease between the Board and the CDCR.
7. Approve the form of and authorize the execution of a Continuing Disclosure Agreement.
8. Approve the form of and authorize the execution of a Purchase Contract by and among the Board, the State Treasurer, and the underwriters named therein.
9. Approve the form of and authorize the delivery of a Preliminary Official Statement.
10. Approve and authorize the delivery of an Official Statement.
11. Approve other related actions in connection with the authorization, issuance, sale, and delivery of said revenue bonds.

Estimated par amount for the refunding bonds is:	\$45,720,000
Estimated not to exceed par amount for the refunding bonds is:	\$49,705,000

BOND ITEMS

STAFF ANALYSIS ITEM—3

Department of Corrections and Rehabilitation
2015 Series C, Lease Revenue Refunding Bonds
Valley State Prison

Action Requested

If approved, the requested action would authorize the sale of the 2015 Series C lease revenue bonds and other related actions in connection with the issuance, sale, and delivery of said revenue bonds, including approving the forms of and authorizing the execution of a supplemental indenture, a site lease, a facility lease, escrow agreements, a termination agreement, a continuing disclosure agreement, a purchase contract, and authorizing the delivery of a preliminary official statement, and an official statement.

Description of the Refunding

The 2015 Series C bonds will refund the Board's 2005 Series H bonds and achieve an estimated net present value savings of \$4.5 million and an estimated 9.0% savings of the refunded bonds. The estimated par amount of the 2015 Series C bonds is \$45.7 million. This refunding is consistent with the Board's Refunding Policy which states refunding bonds may be issued pursuant to one or both of the following policies: (1) the refunding will produce benefits to the Board's bond program apart from debt service savings, and/or (2) the refunding generates positive net present value savings equal to at least 3.0% of the par amount of the bonds refunded.

Valley State Prison

Valley State Prison (formerly known as the "California State Prison-Madera County, Valley State Prison for Women") is located on approximately 640 acres in Madera County approximately 6 miles southeast of the city of Chowchilla and approximately 12 miles northwest of the city of Madera. Construction of Valley State Prison was completed in April 1995. CDCR currently has beneficial use and occupancy of Valley State Prison.

Staff Recommendation: Adopt the resolution.

BOND ITEMS

BOND ITEM—4

**DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)
2015 SERIES D, LEASE REVENUE REFUNDING BONDS
KERN VALLEY STATE PRISON**

Refunded Bonds: Department of Corrections, 2003 Series C, California State Prison - Kern County at Delano II, formally known as Kern Valley State Prison

Authority: Section 15840 of the Government Code

Consider adoption of a resolution to:

1. Authorize the sale of the State Public Works Board Lease Revenue Refunding Bonds, Department of Corrections and Rehabilitation (CDCR), 2015 Series D, Kern Valley State Prison.
2. Approve the form of and authorize the execution of a Supplemental Indenture to the Master Indenture, between the State Public Works Board (Board) and the State Treasurer.
3. Approve the form of and authorize the execution of a second amendment to Facility Lease between the Board and the CDCR.
4. Approve the form of and authorize the execution of an Escrow Agreement between the Board and the State Treasurer.
5. Approve the form of and authorize the execution of a Continuing Disclosure Agreement.
6. Approve the form of and authorize the execution of a Purchase Contract by and among the Board, the State Treasurer, and the underwriters named therein.
7. Approve the form of and authorize the delivery of a Preliminary Official Statement.
8. Approve and authorize the delivery of an Official Statement.
9. Approve other related actions in connection with the authorization, issuance, sale, and delivery of said revenue bonds.

Estimated par amount for the refunding bonds is:	\$19,810,000
Estimated not to exceed par amount for the refunding bonds is:	\$24,105,000

BOND ITEMS

STAFF ANALYSIS ITEM—4

Department of Corrections and Rehabilitation
2015 Series D, Lease Revenue Refunding Bonds
Kern Valley State Prison

Action Requested

If approved, the requested action would authorize the sale of the 2015 Series D lease revenue bonds and other related actions in connection with the issuance, sale, and delivery of said revenue bonds, including approving the forms of and authorizing the execution of a supplemental indenture, a second amendment to the facility lease, an escrow agreement, a continuing disclosure agreement, a purchase contract, and authorizing the delivery of a preliminary official statement, and an official statement.

Description of the Refunding

The 2015 Series D bonds will refund the Board's 2003 Series C bonds and achieve an estimated net present value savings of \$5.4 million and an estimated 22.3% savings of the refunded bonds. The estimated par amount of the 2015 Series C bonds is \$19.8 million. This refunding is consistent with the Board's Refunding Policy which states refunding bonds may be issued pursuant to one or both of the following policies: (1) the refunding will produce benefits to the Board's bond program apart from debt service savings, and/or (2) the refunding generates positive net present value savings equal to at least 3.0% of the par amount of the bonds refunded.

Kern Valley State Prison

Kern Valley State Prison (formerly known as the "California State Prison Kern County at Delano II") is located on approximately 680 acres in Kern County approximately 30 miles north of the city of Bakersfield. Construction of Kern Valley State Prison was completed in June 2005. CDCR currently has beneficial use and occupancy of Kern Valley State Prison.

Staff Recommendation: Adopt the resolution.

BOND ITEMS

BOND ITEM—5

**DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)
2015 SERIES E, LEASE REVENUE REFUNDING BONDS
CENTINELA AND CALIPATRIA STATE PRISONS**

Refunded Bonds: Department of Corrections, 1998 Series B, California State Prisons - Imperial County, formally known as Centinela State Prison (Imperial County South) and Calipatria State Prison (Imperial County North)

Authority: Section 15840 of the Government Code

Consider adoption of a resolution to:

1. Authorize the sale of the State Public Works Board Lease Revenue Refunding Bonds, Department of Corrections and Rehabilitation (CDCR), 2015 Series E, Centinela and Calipatria State Prisons.
2. Approve the form of and authorize the execution of a Supplemental Indenture to the Master Indenture, between the State Public Works Board (Board) and the State Treasurer.
3. Approve the form of and authorize the execution of an Amended and Restated Site Lease for Centinela State Prison between the CDCR and the Board.
4. Approve the form of and authorize the execution of a sixth amendment to each Facility Lease between the Board and the CDCR.
5. Approve the form of and authorize the execution of Escrow Agreements between the Board and the State Treasurer.
6. Approve the form of and authorize the execution of a Continuing Disclosure Agreement.
7. Approve the form of and authorize the execution of a Purchase Contract by and among the Board, the State Treasurer, and the underwriters named therein.
8. Approve the form of and authorize the delivery of a Preliminary Official Statement.
9. Approve and authorize the delivery of an Official Statement.
10. Approve other related actions in connection with the authorization, issuance, sale, and delivery of said revenue bonds.

Estimated par amount for the refunding bonds is:	\$104,895,000
Estimated not to exceed par amount for the refunding bonds is:	\$112,220,000

BOND ITEMS

STAFF ANALYSIS ITEM—5

Department of Corrections and Rehabilitation
2015 Series E, Lease Revenue Refunding Bonds
Centinela and Calipatria State Prisons

Action Requested

If approved, the requested action would authorize the sale of the 2015 Series E lease revenue bonds and other related actions in connection with the issuance, sale, and delivery of said revenue bonds, including approving the forms of and authorizing the execution of a supplemental indenture, an amended and restated site lease, a sixth amendment to the facility leases, escrow agreements, a continuing disclosure agreement, a purchase contract, and authorizing the delivery of a preliminary official statement, and an official statement.

Description of the Refunding

The 2015 Series E bonds will refund the Board's 1998 Series B bonds and achieve an estimated net present value savings of \$12.1 million and an estimated 10.7% savings of the refunded bonds. The estimated par amount of the 2015 Series C bonds is \$104.9 million. This refunding is consistent with the Board's Refunding Policy which states refunding bonds may be issued pursuant to one or both of the following policies: (1) the refunding will produce benefits to the Board's bond program apart from debt service savings, and/or (2) the refunding generates positive net present value savings equal to at least 3.0% of the par amount of the bonds refunded.

Centinela and Calipatria State Prisons

Centinela State Prison (formerly known as the "California State Prison – Imperial County (South)") is located on approximately 2,000 acres in Imperial County near the town of El Centro in Southern California and approximately 110 miles east of the city of San Diego. Construction of Centinela State Prison was completed in October 1993. CDCR currently has beneficial use and occupancy of Centinela State Prison.

Calipatria State Prison (formerly known as the "California State Prison – Imperial County (North)") is located on approximately 1,200 acres in Imperial County near the town of Calipatria in Southern California and approximately 100 miles northeast of the city of San Diego. Construction of Calipatria State Prison was completed in January 1992. CDCR currently has beneficial use and occupancy of Calipatria State Prison.

Staff Recommendation: Adopt the resolution.

CONSENT ITEM

CONSENT ITEM—1

DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)
JAIL PROJECT
SOLANO COUNTY

Authority: Sections 15820.90 – 15820.907 of the Government Code

Consider recognizing revised project costs

CONSENT ITEM

STAFF ANALYSIS ITEM—1

Department of Corrections and Rehabilitation
Jail Project
Solano County

Action Requested

If approved, the requested action would recognize revised project costs.

Scope Description

This project is within scope. This project is located within the City of Fairfield in Solano County on approximately 9.5 acres of county-owned land. The project designed and constructed a new, approximately 127,800 square foot, single story jail building adjacent to the existing Claybank Adult Detention Facility. This new building includes areas for housing, support services, and a central plant, and will be used to house post-arraignment and pre-sentenced inmates.

The housing portion of the building consists of twelve maximum security celled housing units that provide a total of 365 beds. Each housing unit includes staff control areas, a dayroom, two video visitation rooms, two interview rooms, a multi-purpose room for program activities, an exercise yard, and all necessary appurtenances. The support services portion of the building includes an administrative services area; a central control room; medical, mental health, and dental service areas; a secure vehicle sally port; an intake/release/processing area; inmate visitation areas; an outdoor refuge/exercise area; a laundry facility; additional storage spaces; and a loading/receiving area. The central control room provides monitoring and visual supervision of the housing units, recreation areas, and other secure areas within the facility.

The central plant provides power, heating, cooling, and water treatment systems. The project also includes staff and public parking lots with hardscape improvements, non-secure fencing, and a vehicle access gate.

The structural system of the Solano Project consists of conventional steel beams and girders supporting non-composite roof deck over the common dayroom and function areas supported by masonry walls. The roof over the cell units and the cell tier level is primarily constructed with flat concrete slab supported by concrete beams and columns. The holding cells are prefabricated steel units with infill walls, floor and roof slabs. The lateral load resisting system consists of non-composite steel roof deck and flat concrete slabs at roof and tier level. Long-span open web steel joists supported by perimeter masonry walls support the higher steel roof deck over the vehicular sally port.

Funding and Cost Verification

This project is not within cost. On July 8, 2011, the Board established the scope, cost and schedule, allocating \$61,545,000 of the \$365,771,000 lease revenue bond authority appropriated in Government Code section 15820.903 (AB 900 Phase 1) of the to partially finance the construction of this project. The initial allocation of this funding to counties was administered through the Board of State and Community Corrections (BSCC) through a competitive public process. BSCC has conditionally awarded \$61,545,000 from this appropriation to Solano County for this project. All of the acquisition/study and design costs and any construction costs in addition to this award amount will be paid by the County.

On June 29, 2012, the Department of Finance (Finance) approved award of the construction contract, at that time the total estimated project cost was \$84,720,000. Additionally, on June 6, 2013, Finance approved award of the Jail Management Software (JMS) system contract, and the total estimated project cost at that time was \$87,259,000. On January 13, 2014, the Board approved a revised project cost estimate for this project in the amount of \$87,132,000. Subsequent to these actions, a revised project cost estimate was prepared by the county. Based on this revised estimate, the current total estimated project cost is \$87,228,000, which is an overall increase of \$97,000. This increase is mostly additional construction management costs incurred due to change orders on the project, which extended the construction schedule.

\$87,132,000	total authorized project cost
\$87,228,000	total estimated project cost
\$61,474,000	state costs previously allocated: construction (\$60,334,000 contract and \$1,140,000 contingency)
\$ 71,000	state costs net increase: construction (contingency)
\$25,657,000	local costs previously allocated: \$3,994,000 acquisition/study, \$1,537,000 preliminary plans, \$2,353,000 working drawings, and \$17,773,000 construction (\$4,893,000 contingency, \$1,673,000 A&E, \$8,191,000 other project costs, and \$3,016,000 agency retained items)
\$ 26,000	local costs net increase: construction (a decrease of \$4,000 A&E, and an increase of \$30,000 other project costs)

CEQA

A Notice of Determination was filed with the State Clearinghouse on July 26, 2007, and the 30-day statute of limitations expired on August 25, 2007, without challenge.

Real Estate Due Diligence

A Summary of Conditions Letter for this project was completed on June 23, 2011, which noted three issues requiring action. These issues were: (1) a written legal description and plat map of legal description for the project area and a site map had not yet been prepared, (2) the access right-of-way agreement between the County and the District lacked adequate clarity, and (3) a large portion of the utility easement granted by the County to PG&E is over District property and the District is not a party to the conveyance document.

The first issue identified above has been resolved, the required legal description and maps are incorporated as Exhibit B to the Ground Lease consented to by the Board on February 12, 2012. Issue two was resolved by the execution of a new Easement Deed between the District and the County, which was recorded on December 19, 2011. Regarding resolution of issue three, although the District has not perfected the utility easement with PG&E, a service connection does exist and the new Easement Deed between the District and the County provides the County with an access right-of-way for utilities over, within, and under the District property. Consequently, there is no risk of loss of utility services as a result of this issue. No other significant issues were identified.

Project Schedule

Approve preliminary plans	July 2011
Complete working drawings	March 2012
Start construction	June 2012
Complete construction-Facility	August 2014
Complete construction-JMS	April 2015

Staff Recommendation: Recognize revised project costs.